GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:1903
ANSWERED ON:05.05.2016
Unfair Trade Practices by Airlines
Galla Shri Jayadev

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it has come to the notice of his Ministry that three airlines, Jet Airways, Indigo and SpiceJet, indulged in fixing fuel surcharge rates for cargo and guilty of unfair trade practices as per Competition Commission of India (CCI);

(b) if so, the details thereof and the action taken by CCI in this regard;

(c) whether the Ministry proposes to take action against these airlines as they have violated the guidelines; and

(d) if so, the details thereof?

Answer

Minister of State in the Ministry of CIVIL AVIATION
(Dr Mahesh Sharma)

(a) to (d): The Competition Commission of India vide order 17th November, 2015 had imposed penalty of Rs. 151.69 crores on Jet Airways (India) Ltd. , Rs. 63.74 crores on InterGlobe Aviation Limited and Rs. 42.48 crores on Spicejet Limited for contravention of provision of Section 3 of the Competition Act, 2002 by fixing and revising fuel charges in a concerted manner. The Commission also passed cease and desist order against these three airlines.

The three airlines had preferred an appeal against the order of the Commission before Competition Appellate Tribunal (COMPAT). The COMPAT vide order dated 18th April, 2016 has set aside the order of the Commission and has directed the Commission to reconsider the matter.